

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF NORTH HOPKINS WATER)
DISTRICT) CASE NO. 2012-00024

O R D E R

On January 23, 2012, North Hopkins Water District ("North Hopkins") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. North Hopkins purchases water from the city of Madisonville ("Madisonville").
2. Effective March 15, 2012, Madisonville will decrease its wholesale water rate to North Hopkins from \$3.95 per 1,000 gallons to \$3.63 per 1,000 gallons.²
3. North Hopkins proposes to decrease its water rates to its customers effective March 15, 2012 to reflect the reduction in the cost of purchased water.

¹ KRS 278.015 and 807 KAR 5:068

² Madisonville originally informed North Hopkins that its wholesale rate adjustment would become effective March 1, 2012. When it filed notice of its proposed wholesale rate adjustment with the Commission on January 17, 2012, it state that the proposed rate would become effective on March 15, 2012. North Hopkins advised the Commission in its application that its proposed adjustment would become effective on March 1, 2012. By subsequent letter, it revised the proposed effective date to March 15, 2012.

4. During the 12 months ending December 31, 2011, North Hopkins purchased 79,433,000 gallons of water and sold 65,894,720 gallons. The decrease in the cost of purchased water is \$25,418.56, resulting in a purchased water adjustment of (\$0.39) per 1,000 gallons.

5. The purchased water adjustment of (\$0.39) per 1,000 gallons, whose calculation is shown in Appendix A, is fair, just, and reasonable and should be approved.

6. North Hopkins' proposed rates, which are set forth in Appendix B, accurately reflect the proposed purchased water adjustment and should be approved for service rendered on and after March 15, 2012.

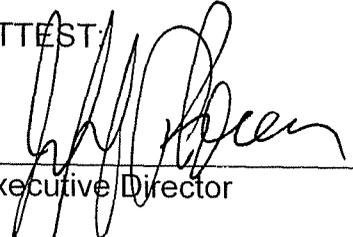
IT IS THEREFORE ORDERED that:

1. The proposed rates by North Hopkins are accepted.
2. The proposed effective date by North Hopkins of March 1, 2012 is denied.
3. The purchased water adjustment of (\$0.39) per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after March 15, 2012.
4. Within 20 days of the date of this Order, North Hopkins shall file revised tariff sheets with the Commission showing the rates approved herein.

By the Commission

ENTERED 
MAR 09 2012
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2012-00024 DATED **MAR 09 2012**

	New Rate	Base Rate	
North Hopkins Water			
Purchases in gallons	79,433,000	79,433,000	
Volumetric rate	<u>\$3.63/1,000</u>	<u>\$3.95/1,000</u>	
	\$288,341.79	\$313,760.35	
		Decreased water cost	\$25,418.56
Decreased water cost		(\$ 25,418.56)	
Divided by gallons sold		<u>65,894,720</u>	
Purchased water adjustment factor		(\$0.39) per 1,000 gallons	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00024 DATED **MAR 09 2012**

The following rates and charges are prescribed for the customers in the area served by North Hopkins Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8" x 3/4" Meter

First	2,000	gallons	\$ 23.36	Minimum bill
Next	2,000	gallons	11.38	per 1,000 gallons
Next	3,000	gallons	9.03	per 1,000 gallons
Next	3,000	gallons	7.88	per 1,000 gallons
All Over	10,000	gallons	6.08	per 1,000 gallons

3/4" Meter

First	3,000	gallons	\$ 34.74	Minimum bill
Next	1,000	gallons	11.38	per 1,000 gallons
Next	3,000	gallons	9.03	per 1,000 gallons
Next	3,000	gallons	7.88	per 1,000 gallons
All Over	10,000	gallons	6.08	per 1,000 gallons

1" Meter

First	5,000	gallons	\$ 55.15	Minimum bill
Next	2,000	gallons	9.03	per 1,000 gallons
Next	3,000	gallons	7.88	per 1,000 gallons
All Over	10,000	gallons	6.08	per 1,000 gallons

1-1/2" Meter

First	10,000	gallons	\$ 96.85	Minimum bill
All Over	10,000	gallons	6.08	per 1,000 gallons

2" Meter

First	15,000	gallons	\$ 127.25	Minimum bill
All Over	15,000	gallons	6.08	per 1,000 gallons

3" Meter

First	30,000	gallons	\$ 218.45	Minimum bill
All Over	30,000	gallons	6.08	per 1,000 gallons

Norman D Adams
North Hopkins Water District
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Madisonville, KY 42431